

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
W. R. GRACE & CO., et al.¹) Case No. 01-01139 (JKF)
) (Jointly Administered)
Debtors.)
Related Docket No: 19515 + 19738

**ORDER AUTHORIZING THE SETTLEMENT OF ASBESTOS PROPERTY DAMAGE
CLAIMS FILED BY THE CALIFORNIA STATE UNIVERSITY**

This matter having come before the Court on the Motion of Debtors for Entry of an Order Authorizing Settlement of Asbestos Property Damage Claims filed by The California State University [Docket No. _____] (the "Motion"), the Court having reviewed the Motion; the Court finds that: (i) the legal and factual basis set forth in the Motion establish just cause for the relief requested, (ii) the Debtors have properly exercised their business judgment in negotiating and entering into the Settlement Agreement attached as Exhibit A to the Motion, and (iii) the settlement and compromise are not attended by fraud, collusion or bad faith and were negotiated

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-I Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

by the parties at arm's length; the Court having announced its decision on the Motion at a hearing in open court on _____, 2008;

NOW THEREFORE IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED in all respects;
2. The Settlement Agreement, a copy of which is attached as Exhibit A to the Motion, is APPROVED.
3. The Debtors are authorized to enter into the Settlement Agreement and are authorized to execute, deliver, implement and fully perform any and all obligations, instruments, documents and papers and to take any and all actions reasonably necessary or appropriate to consummate the Settlement Agreement and perform any and all obligations contemplated therein.
4. The Court retains jurisdiction to interpret, implement, and enforce the provisions of this Order subject to the provisions of the Settlement Agreement.

Dated: Oct 15, 2008

Judith K. Fitzgerald

Honorable Judith K. Fitzgerald
United States Bankruptcy Judge *SAS*